

3 June 1963

The following questions arise in connection with the proposed NRO Agreement:
Modifications as outlined in the McMillan memorandum of April 15th.

1. What are the responsibilities of the DCI and USIB for the establishment of the intelligence requirements and priorities to be fulfilled by aircraft or satellite overflights over denied territories? It is my understanding that a decision was made in the early days of the U-2 that the responsibility for the planning and the conduct of overflights over denied territory was to rest with CIA, not with Defense. This understanding was extended to certain of the satellite photographic programs. This arrangement fulfilled the DCI's responsibility for acquisition of intelligence (except in active theaters during war).

The DCI therefore, through CIA, has established and maintained for almost ten years an operational center under which all flights are planned and executed, including specifying desired targets to be covered by satellite missions or overflights. This organization is in existence and has operated successfully, and was anticipated in the NRO agreement that current procedures should continue as the agreement in Section IIIA provides that the Director of NRO shall make maximum use of technical and operational capabilities and resources of DOD, NSA, and CIA.

Therefore, before discussing any details, I want a resolution of the question by Secretary of Defense and DCI and, if necessary, higher authority, as to whether responsibility for intelligence in denied territories (except for active war areas) is the responsibility of the Director of Central Intelligence or the Secretary of Defense.

NOTE: The Special Group was established for the purpose of keeping Defense, State, and the White House informed on overflights and permitting them to express their views.

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2. If the present responsibilities are to be continued, then we have to examine the functioning of the NRO as anticipated in the agreement. The failure here is that the partnership is not working because the Deputy to NRO is not functioning in the chain of command. Command responsibilities flow directly from the NRO to the military staff.
3. If the responsibilities are to be shifted and the Secretary of Defense is to assume responsibilities for the acquisition of photographic intelligence in denied territories, then CIA's operational capability should be liquidated, Defense capability built up, and the procedures outlined in McMillan's memorandum developed in a form satisfactory to the Secretary of Defense. Under such arrangements, the question should be raised as to the responsibility of the DCI on intelligence matters, the responsibility of CIA provided under the law, and the responsibility of USIB. The reason for this is that the vast majority of hard intelligence on such great issues as Soviet long-range striking

1962, the developments in Cuba were all acquired by aerial photography of one sort or another under the direction of CIA. The question, therefore, is raised as to whether DCI and CIA can function under an agreement that would transfer control of these intelligence activities to the JCS.

In this connection, my observation is that intelligence acquisition in non-combat areas is of secondary importance to the JCS, and for that matter, to the Secretary of Defense.

4. It seems to me that the problem here is a basic fundamental policy issue. If this is settled, then all other problems in a voluminous correspondence by McMillan fall away. If the basic philosophy under which we have operated is to be changed, then complete new agreements should be drawn.
5. It seems to me that the whole issue can be resolved very simply by having the Chairman of the Joint Chiefs at the 5412 Committee. Hence, the Secretary of Defense, Chairman of the Joint Chiefs (through him the JCS), the Director of Central Intelligence (through him the CIA), and the White House will all be currently informed on aerial reconnaissance programs.